



STATE OF  
COLORADO

Jesse - DNR, Todd <todd.jesse@state.co.us>

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## Deserado Mine, C-1981-018, May 23, 2023 Partial Inspection Report

1 message

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**Jesse - DNR, Todd** <todd.jesse@state.co.us>

Thu, Jun 1, 2023 at 11:03 AM

To: kblunt@deserado.com

Cc: Clayton Wein - DNR <clayton.wein@state.co.us>

Good afternoon Kurt,

Attached is the Division's report for the inspection for the Deserado Mine conducted May 23, 2023. Please feel free to contact me if you have any questions or concerns.

Thank you,  
Todd Jesse

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Environmental Protection Specialist  
Minerals Program, Grand Junction Field Office



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**2023-06-01\_INSPECTION\_C1981018.pdf**  
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## COLORADO


Division of Reclamation,  
Mining and Safety

Department of Natural Resources

### PERMIT INFORMATION

<b>Permit Number:</b> C-1981-018 <b>Mine Name:</b> Deserado Mine <b>Operator:</b> Blue Mountain Energy, Inc <b>Operator Address:</b> Mr Kurtis Blunt 3607 County Road 65 Rangely, CO, 81648	<b>County:</b> Moffat, Rio Blanco <b>Operation Type:</b> Underground <b>Permit Status:</b> Active <b>Ownership:</b> Private
	<b>Operator Representative Present:</b>  Kurtis Blunt
<b>Operator Representative Signature: (Field Issuance Only)</b>	

### INSPECTION INFORMATION

<b>Inspection Start Date:</b> May 23, 2023 <b>Inspection Start Time:</b> 11:00 <b>Inspection End Date:</b> May 23, 2023 <b>Inspection End Time:</b> 13:30		<b>Inspection Type:</b> Coal Partial Inspection <b>Inspection Reason:</b> Normal I&E Program <b>Weather:</b> Clear	
<b>Joint Inspection Agency:</b>  None		<b>Joint Inspection Contacts:</b>	
<b>Post Inspection Agency:</b>  None		<b>Post Inspection Contacts:</b>	
<b>Inspector(s):</b>  Todd Jesse	<b>Inspector's Signature:</b>  		<b>Signature Date:</b>

**Inspection Topic Summary**

NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable

N - Air Resource Protection	R - Roads
N - Availability of Records	R - Reclamation Success
N - Backfill & Grading	R - Revegetation
R - Excess Spoil and Dev. Waste	N - Subsidence
N - Explosives	N - Slides and Other Damage
R - Fish & Wildlife	R - Support Facilities On-site
R - Hydrologic Balance	Y - Signs and Markers
Y - Gen. Compliance With Mine Plan	N - Support Facilities Not On-site
N - Other	N - Special Categories Of Mining
N - Processing Waste	R - Topsoil

**COMMENTS**

This report documents the observations made by the Division during a Coal Partial Inspection of the Deserado Mine on May 23, 2023. The inspection was completed by Todd Jesse of the Division. Kurt Blunt represented Blue Mountain Energy during the inspection. The weather was mostly sunny with temperatures around 75 degrees F. The ground conditions are mostly dry, but muddy areas persist due to the high winter snow totals – snow could still be seen on high ridges surrounding the mine. Despite muddy ground conditions in some areas, the majority of the mine was accessible. Please note that Maintenance Items are listed in this report in **Bold** text. Please provide the Division with photos of the items once they have been completed.

**EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09**

Placement; Drainage Control; Surface Stabilization:

The Halandras Landfill (Photo 2) is located on the west side of County Road 65 (CR-65), north of the main facilities area. The debris outside of the pit that was noted in the April inspection was returned to the pit. There were no indications of offsite impacts of erosional features in the landfill area.

**FISH and WILDLIFE – Rule 4.18:**

A number of male Red-winged Blackbirds were present around the Last Chance Pond. There were also several small brown birds that could have been female Red-winged Blackbirds or a different species. A Blue Heron was also observed near the Process Water Pond adjacent to the White River.

**HYDROLOGIC BALANCE - Rule 4.05**

Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Diversions 4.05.4; Effluent Limits 4.05.2; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13; Drainage – Acid and Toxic Materials 4.05.8; Impoundments 4.05.6, 4.05.9; Stream Buffer Zones 4.05.18:

The DP-1 pond (Photo 3) is within the facilities area of the mine site. DP-1 was discharging at the time of the inspection. The embankments of the pond have established vegetation and there was no evidence of instability of erosion. The outfall was free of obstructions. The pond is designed to be 6 feet deep, but is filling with sediment. The mine anticipates being able to muck out pond DP-1 in the summer months (likely August) to regain

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storage capacity in the pond. Mine staff expects to remove approximately 650 cubic yards of sediment from DP-1 that will be impounded in waste storage facilities on site.

The Last Chance Pond is part of the dewatering system that allows miners to work underground. The pond is part of a passive water treatment system that improves water quality before it is discharged into the environment. At the time of the inspection the pond was discharging water (Photo 4). The embankment of the pond is stable with no burrows or erosional concerns (Photo 5). There were also a large number of song birds around the pond at the time of the inspection.

The D-Seam dewatering system was not active during the time of the inspection. The ponds that are part of the treatment process are holding a small amount of meteoric water, but they are expected to dry out in the coming weeks (Photo 6). There was no evidence of animal burrows or erosional concerns identified on the embankments of the ponds. The pumps for this dewatering system have not run since 2022. The pad where the dewatering pump is located does not show signs of settling or erosion.

Pond SS-2 in the slot storage area is not holding water (Photo 7). The embankments of the pond are stable with no burrows or erosional concerns identified. Culverts around the slot storage area and nitrogen plant have been cleaned of debris.

The Rail Loop Sump and Pond are part of the hydrologic controls around the rail loop area. The sump was not holding water, but a small amount of water was seen dripping in and filtering into the ground. No erosion concerns were identified at the sump. The Rail Loop Pond (Photo 8) to the east of the sump was not holding water either. The erosional scar on the north embankment of the pond looks the same size as previous inspections and does not appear to grow.

The Process Water Pond (Photo 9) near the entrance to the mine site provide makeup water for the coal operation. With the good snow year, runoff in the adjacent White River is extremely high. The river has entered the flood plain around the pond, but the embankment is maintaining separation between the pond and flooded river.

#### ROADS – Rule 4.03

Construction 4.03.1(3)/4.03.2(3), Drainage 4.03.1(4)/4.03.2(4), Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6), Reclamation 4.03.1(7)/4.03.2(7):

The haul road (Photo 10) at the Deserado Mine was well maintained and being sprayed to suppress dust. For the most part, ditches along the main haulage and support roads have been pulled and are clear. Support roads leading to some of the more remote areas of the mine are rutted, but surface operators are continuing with their spring cleaning and will grade the roads when they are able.

#### RECLAMATION SUCCESS - Rule 4.15, Rule 3:

Crews reclaimed boreholes last fall and work on those pads continue this year. The boreholes were used to inject nitrogen into underground workings. Now that the underground crews have moved to a different area the boreholes are being abandoned. Surface crews are grading and revegetating pads while abandoning boreholes by plugging them (Photo 11). This will be an ongoing effort over the summer months for the surface crews.

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**REVEGETATION – Rule 4.15****Vegetative Cover; Timing:**

Revegetation is starting to take on reclaimed borehole pads. It appears that it is mostly grass species that are beginning to propagate on the reclaimed pads. No invasive species were observed in the revegetation area or anywhere else on site during the inspection.

**SUPPORT FACILITIES - Rule 4.04:**

The B Vent Shaft #3 (Photo 12) is a vent shaft designed to improve ventilation in the underground workings. The vent shaft is guarded by a chain-link fence to prevent staff and the general public from approaching an open hole. The shaft is also guarded by corrugated tube that reaches roughly 6 feet above ground level. There were no signs of erosion or slumping around the vent shaft pad

**TOPSOIL – Rule 4.06**

Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

The Rail Loop Topsoil Stockpile (Photo 13) is located between the Rail Loop Sump and Rail Loop Pond. The topsoil stockpile is protected from erosion by vegetative cover and a small berm at the base of the pile. A topsoil marker is placed on top of the pile to mark it as topsoil. There were no indication of erosion or instability observed on the stockpile.

**DOCUMENTS RECEIVED: None**

**OTHER (SPECIFY): None**

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**ENFORCEMENT ACTIONS/COMPLIANCE**

No enforcement actions were initiated as a result of this inspection, nor are any pending.

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## **PHOTOGRAPHS**



Photo 1: Mine identification sign at entrance to permit



Photo 2: View to the southwest of landfill area. Waste is contained in the pit.

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Photo 3: View to the south of inlet to Pond DP-1.



Photo 4: View to the south of discharge on Last Chance Pond

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Photo 5: View to the west of embankment of Last Chance Pond



Photo 6: View to the northeast of D Seam dewatering ponds. Meteoric water present.

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Photo 7: View to the north of pond SS-2. No water present.



Photo 8: View to the northeast of erosional scar in Rail Loop Pond.

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Photo 9: View to the east of process water pond. Pond is on the right and flooded river on the left.



Photo 10: View to the west of haul road. Ditch has been pulled and road was wet from water truck.

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Photo 11: View to the north of borehole pad revegetated last fall. Crews still need to plug and fill the injection well on this pad.



Photo 12: View to the south of B Vent Shaft.

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Photo 13: View to the east of topsoil stockpile by the Rail Loop.

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**AVAILABILITY OF RECORDS****PERMIT RECORDS**

DRMS Permit	_____
Permit Application w/Revisions	_____
Findings Document	_____
Insurance Certificate	_____
Bond Document	_____
Phased Bond Release	_____
Documents/Findings	_____
Air Emission Permits	_____
County Special Use Permits	_____
UG Mining Landowner Notification	_____
Subsidence Monitoring Reports	_____
Subsidence Monitoring Data	_____
Rill & Gully Survey	_____
Vegetation Monitoring Data	_____
Specific Variance Approvals	_____
Annual Reclamation Reports	_____
Midterm Review Documents	_____
DRMS/OSM Inspection	_____
Reports/Enforcement Actions (3 Years)	_____
Transfers/Succession of Operator	_____
Temporary Cessation Notification	_____
Reclamation Cost Estimate	_____
<b>CERTIFICATIONS</b>	
Pond Certifications	_____
Annual Certifications for Impoundments	_____
Fill Certifications for Excess Spoil or Underground Development Waste	_____
• Quarterly Inspections	_____
• Compaction Testing	_____
• Final Certification	_____
Coal Processing Waste Banks	_____
Haul Road Certifications	_____
Access Road Certifications	_____

**HYDROLOGIC RECORDS**

NPDES Permit	_____
NPDES Records	_____
Stormwater Management Plan	_____
SPCC Plan	_____
MSHA Pond Inspections	_____
State Engineer's Pond Inspection	_____
Quarterly Pond Inspections	_____
Annual Hydrology Reports	_____
• Ground Water Monitoring	_____
• Surface Water Monitoring	_____
• Spring & Seep Monitoring	_____
• Mine Water Discharge Monitoring	_____
• Mine Inflow Study	_____
• Water Consumption Records	_____
Well Permits	_____

**BLASTING RECORDS**

Blasting Publication	_____
Blasting Records (3 years)	_____
ATFE Explosives Permit	_____
Blasting Variances	_____
Pre-Blast Surveys	_____

**ADDITIONAL RECORDS (specify)**

_____	_____
_____	_____
_____	_____
_____	_____

**COMMENTS:**

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